

LEONIDAS RALPH MECHAM Director

CLARENCE A. LEE, JR.
Associate Director

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

WASHINGTON, D.C. 20544

GEORGE H. SCHAFER Assistant Director and Chief Financial Officer

Office of Finance and Budget

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MEMORANDUM TO ALL CLERKS, UNITED STATES BANKRUPTCY COURTS

SUBJECT: Implementation of Bankruptcy Fee Provisions in S.256

The President is expected to sign the Bankruptcy Reform Bill (S.256) into law soon. Unfortunately, the Office of Finance and Budget has concluded that there were some drafting errors in the legislation affecting the distribution of the filing fees that will preclude the implementation of the fee changes. The legislation results in the distribution of a larger amount of the fee than is available to distribute. We are attempting to clarify the intent of Congress and working to obtain a statutory fix. We have also consulted with the Office of General Counsel which agrees we should defer implementation of these fee provisions until these issues are resolved. Accordingly, you should delay making any adjustments to your systems and procedures until further notice.

George H. Schafer